

Building a Salable Business

If a buyer offered to acquire your business today, would it be ready to sell for maximum value?

There are two fundamentals a buyer is looking for when assessing your business. They want large amounts of positive cash flow and they want to see manageable risk reduced as much as possible. If you can give them both high cash flow and low risk you will be amply rewarded!

To help you improve the salability and value of your business, I have broken down what you need to know into 4 specific categories:

1. Growth Prospects.

The buyer will want to know that your company is growing at a good rate (to get the attention of the larger acquirers and to maximize your value, you ideally want to be growing at 10 to 15% per year.) The buyer also wants to know that your prospects for continued growth are good.

In this upcoming webinar we will show you what this means in detail and how to ensure you have good growth prospects.

2. Sustainable and Scalable Operations.

The basic premise for Sustainable is that the owner is surrounded by a team of reliable, proven people who are making the business work; and that the business is not overly reliant on the owner. This does not mean a high-overhead team, rather it means an operationally oriented group of individuals that work well together, that have longevity and systems, and that can get the work done in a consistent manner.

Being scalable means that more than one person can do any job, that you have a good bench, and that the business is not dependent on a superstar (including the owner) in any key position.

During the upcoming webinar we will break this down further with examples, so you can make sure you build your business for maximum salability.

3. Positive Financials

There are three forms of financial success that you need to ensure your business enjoys. Obviously you want to make a profit, as identified by your P&L. The key is you also want to do so without requiring a lot of cash; because a buyer does not want to have to inject a lot of cash in order to run your business. Moreover, you want to drive profits without requiring a significant amount of assets; this is known as having a high Return On Assets. This is important because it means the buyer won't have to overly invest the profits in order to keep your business running.

In the webinar we will discuss what all this means in detail and how to achieve this right away.

Positive financials also means that you have multiple years of documentation showing consistent growth, and that your financials are clean, without having too many gray areas. A little gray is normal, but a lot of gray and the buyer may start to think that buying your business is too risky.

4. Risk Reduction

There are many kinds of risk that need to be reduced and managed. The most common are safety, service and legal risks. You also need to manage people risk and market risk - relying too much on a single person or single client is not good for business longevity. In this webinar you will gain a better grasp on what all these risks are, and how to manage and reduce them.

During this webinar we will also make 4 predictions about the future, so you can be prepared for and manage future risk as well as current risk.

This will raise the value of your business, both for you and for a future buyer.

BIO

Jeffrey Scott, MBA, author, coach and Hall-of-Fame Consultant – is the expert in growth and profit maximization in the landscape industry. He grew his landscape company into a successful \$10 million enterprise (15 million in today's dollars), and he's now devoted to helping others achieve profound success. He facilitates the Leader's Edge peer group for business owners; his members achieved a 27% profit increase in their first year. To learn more visit www.GetTheLeadersEdge.com.